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# Regional Organizations

*a description of their development and functions*

**EUROPE  
AND  
THE  
NORTH  
ATLANTIC  
AREA**







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*The problem of security demands closer cooperation among the nations of Europe than has been known to date. Only a more closely integrated economic and political system can provide the greatly increased economic strength needed to maintain both necessary military readiness and respectable living standards.*

*Europe's enlightened leaders have long been aware of these facts. All the devoted work that has gone into the Schuman Plan, the European Army, and the Strasbourg Conferences has testified to their vision and determination. . . .*

*The needed unity of Western Europe manifestly cannot be manufactured from without; it can only be created from within.*

—President Eisenhower  
State of the Union Message

## Introduction

AS A RESULT of the large-scale economic dislocation and destruction brought about by World War II and the necessity of building strength to resist the aggressive nature of Soviet foreign policy, the political leaders of many countries in free Europe have increasingly turned to European integration as an essential means of facilitating the economic recovery of Western Europe and of reorganizing its defenses. They have found that the problems confronting them extend beyond national boundaries and that the resources of individual countries are inadequate for the achievement of real solutions.

The idea of European political integration goes back to the early history of Europe. On various occasions the Continent has been partially but only temporarily integrated through conquest. Political integration within a democratic framework, however, has never before been realized. Most of the integration plans formulated between the fourteenth century and World War I suffered from the fact that they were not sufficiently practical in nature and were advocated largely by people with little or no influence on their governments.

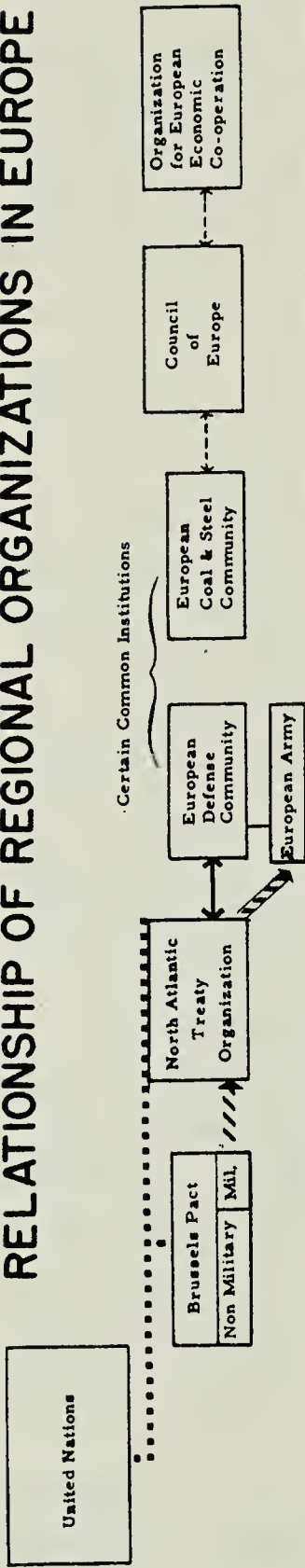
Only after the end of World War I did the weight of economic and military problems begin to exert a real pressure on many political leaders to seek a united Europe for the purpose of averting further wars and promoting economic well-being. In the 1920's, for example, both Edouard Herriot and Aristide Briand, as French Prime Minister and Minister of Foreign Affairs respectively, stressed the importance and advantages of economic collaboration in a politically united Europe.

These ideas received a new and powerful stimulus from the experience of World War II. To many Europeans, individual states seemed wholly inadequate to cope with the overwhelming destruction and other problems resulting from the war. Later, the inadequacies of European defenses in the face of Soviet aggressive tendencies inclined them increasingly toward a cooperative solution of their defense problems.

Under the stimulus of these needs a number of progressively bolder steps have been taken since the end of World War II to achieve unity and cooperation in solving Europe's problems. In 1947 Belgium, Luxembourg, and the Netherlands agreed to



RELATIONSHIP OF REGIONAL ORGANIZATIONS IN EUROPE



COUNTRIES

COUNTRIES	United Nations	Brussels Pact Non Military Mil.	North Atlantic Treaty Organization	European Defense Community	European Coal & Steel Community	Council of Europe	Organization for European Economic Co-operation
Austria							
Belgium							
Canada							
Denmark							
France *							
German Federal Republic *							
Greece							
Iceland							
Ireland							
Italy							
Luxembourg							
Netherlands							
Norway							
Portugal							
Saar							
Swi. -en							
Switzerland							
Anglo-American Zone of Trieste							
Turkey							
United Kingdom *							
United States *							

NOTE: Chart does not show informal liaison that exists between various organizations

----- Collective Self-Defence Agreements within provision of UN Charter

\* Parties to German Contractual Agreements

//// Military Functions absorbed by NATO

Membership

● Informal Association

○ Mutual Guarantee

Liaison

←- - - - - NATO Command

↔

take steps toward the formation of an economic union. In March 1948 Belgium, the Netherlands, Luxembourg, Great Britain, and France signed the Brussels Pact, which provides for collective self-defense and intergovernmental cooperation in economic, social, and cultural matters. A month later, in April 1948, the European countries participating in the Marshall Plan formed the Organization for European Economic Cooperation (OEEC), which has actively promoted European recovery and economic cooperation among its members. With the signature of the North Atlantic Treaty in April 1949, the principle of a unified effort, particularly for collective security, was extended to the whole North Atlantic community. As organized cooperation among governments increased, popular and parliamentary pressure for an organization which would represent not only governments but also the people and parliaments of the member countries grew. In response to this pressure, the Council of Europe was formed in May 1949.

As the cooperative efforts to resolve Europe's problems moved forward, it became clear that all the countries concerned did not approach the problem of unified action from the same viewpoint. Certain countries, primarily Britain and the Scandinavian countries, considered that unified efforts should be carried out through intergovernmental cooperation, as in OEEC. They pointed to the success of such intergovernmental efforts as the European Payments Union and the trade liberalization program of the OEEC. However, others, particularly the French, Germans, and Italians, believed that the countries should move toward closer integration which would involve a genuine unification of individual economies and relinquishment of portions of national authority to organs superior to individual national governments. When the British and Scandinavians found they could not accept this approach, the federalist countries decided that it would be possible for them to move toward actual unification, even if perhaps only on a limited or functional basis.

In May 1950, French Foreign Minister Robert Schuman made a bold proposal—that France and Germany, together with any other European countries, pool their coal and steel resources under a supranational authority. On April 18, 1951, six countries—France, Germany, Italy, Belgium, the Netherlands, and Luxembourg—signed the Schuman Plan treaty providing for a single market for coal and steel. With the



coming into force of the Schuman Plan on July 25, 1952, an historic experiment in functional integration began.

Of even greater potential importance are the plans for the formation of a European Defense Community (EDC), which gives real promise of leading toward federation among these six countries. On May 27, 1952, the treaty providing for the establishment of the Defense Community was signed. Article 38 of this treaty provides that within 6 months after the EDC treaty goes into effect the assembly of the Defense Community shall make recommendations regarding the formation of an organization of federal or confederal character. Within 3 months following these recommendations the governments are to convene a conference to examine these proposals. Later the same May the Council of Europe assembly proposed that this process be speeded by giving this task to either the Schuman Plan assembly or the Council of Europe assembly, sitting in a membership restricted to those willing to participate in a political authority. The French Government adopted the proposal to have the Schuman Plan assembly undertake this task and jointly with the Italians presented this plan to the Foreign Ministers of the six countries. The Foreign Ministers agreed to this. An *ad hoc* assembly, made up of the members of the Schuman Plan assembly, additional members of the Coal and Steel Community (CSC) countries, plus 13 observers from those Council of Europe countries not members of CSC, began work drafting a treaty for the European Political Authority in September 1952 and presented the draft treaty to the Council of Ministers in March 1953 for action by the member governments.

Thus, in the organizations with a broad geographic base, such as OEEC and NATO, a wide variety of problems formerly considered matters of purely domestic concern are being regularly examined and international solutions worked out. Among a more limited number of countries, real progress is being made toward full integration. Although neither political unification nor economic integration has yet been achieved in Europe, the progress achieved in this brief period is particularly remarkable in view of the obstacles which had to be overcome—strong national traditions, the pressure of vested interests, and a host of technical problems.

In keeping with its basic policy of supporting all measures which strengthen the free world, the United States favors



European integration. The U.S. Government recognizes that the strength of free Europe is vital to America's own security and well-being and is convinced that Europe's strength can be substantially increased by closer political, economic, and military unity among the European nations. Therefore, the United States has encouraged and, where appropriate, has given financial aid to European organizations and arrangements which show promise of bringing about a strong and united Europe.

## II

### **Benelux Economic Union**

#### *Origin and Purpose*

THE IMPETUS OF the creation of an economic union of Belgium, Luxembourg, and the Netherlands was primarily the desire of the Netherlands and Belgian Governments-in-exile during World War II to create an economic unit sufficiently large, in terms of its foreign trade, to compete successfully in the postwar world market. The first step toward the formation of such a union was taken in 1944 when a Customs Union agreement was signed by the Governments-in-exile in London. This agreement called for the elimination of existing tariffs between the participants and the levying of common tariffs on imports from outside the Union. Inasmuch as economic unity had existed between Belgium and Luxembourg since 1921, the Benelux Customs Union was designed to unite two, rather than three, economic units—the Belgian-Luxembourg Economic Union (BLEU) and the Netherlands.

Implementation of the Customs Union agreement was delayed, but by 1947 the Benelux Union tariff schedule was completed, and the Customs Union went into effect on January 1, 1948. Although the agreement eliminated tariffs between BLEU and the Netherlands, it did not prohibit other types of trade restrictions, such as trade quotas and currency controls.

It was recognized that in order to free trade within the Benelux area without disrupting the economies of the member countries it would be necessary to coordinate the economic policies of the members. In 1947, accordingly, an agreement was signed providing for the transformation of the Customs Union into a full Economic Union of Belgium, Luxembourg, and the Netherlands. This Union, if achieved, will provide for (1) free circulation of persons, goods, and capital within the area; (2) coordination of economic, financial, and social policies of the participating countries; and (3) conduct of all foreign relations involving economic, financial, and social matters by the Benelux Union rather than by the member states. Full economic union is to be reached through a step-by-step process of eliminating barriers and coordinating policies. An accord



signed in October 1949 established the stage for pre-Union during which the steps necessary for full union would be worked out.

A number of these steps have been taken, and further measures necessary to full economic union are under consideration. Progress toward full union, however, has been slower than originally hoped for by the member countries. By the spring of 1950 over 90 percent of the trade between the two areas had been freed. Early in 1951 both Belgium and the Netherlands enacted legislation adopting uniform excise and transit charges for the area. At the end of 1950 a protocol was agreed upon, providing for the gradual liberalization of agricultural trade between the two countries. The protocol went into effect in January 1951. This is one of the matters on which it was particularly difficult to reach agreement because of differences in Netherlands, Belgian, and Luxembourg agriculture and agricultural policy.

Recently the Netherlands' trade deficit with Belgium has limited further progress toward economic union and resulted in the temporary reimposition of restrictions on intra-Benelux trade. However, the Netherlands and Belgium have taken steps internally, aimed at correcting the imbalance in trade.

### *Organization and Operation*

The Benelux organization undertakes to negotiate agreements on steps leading toward economic union and to put into effect those already accepted. The Prime Ministers of the three countries reach executive agreements in their Benelux conferences, which have occurred irregularly although ordinarily scheduled on a quarterly basis. A Permanent Benelux Commission handles problems arising between meetings of the Prime Ministers. Other major bodies are the Councils for Economic Union, Commercial Agreements, and Customs Administration. The latter body is assisted by a Customs Arbitration Commission, which gives final rulings on appeals from decisions made by the competent government authorities in the Netherlands and BLEU regarding the provisions of the tariff agreements. All major steps toward economic union must be in the form of treaties requiring parliamentary ratification.

### III

## **The Economic Commission for Europe (ECE)**

### *Origin and Purpose*

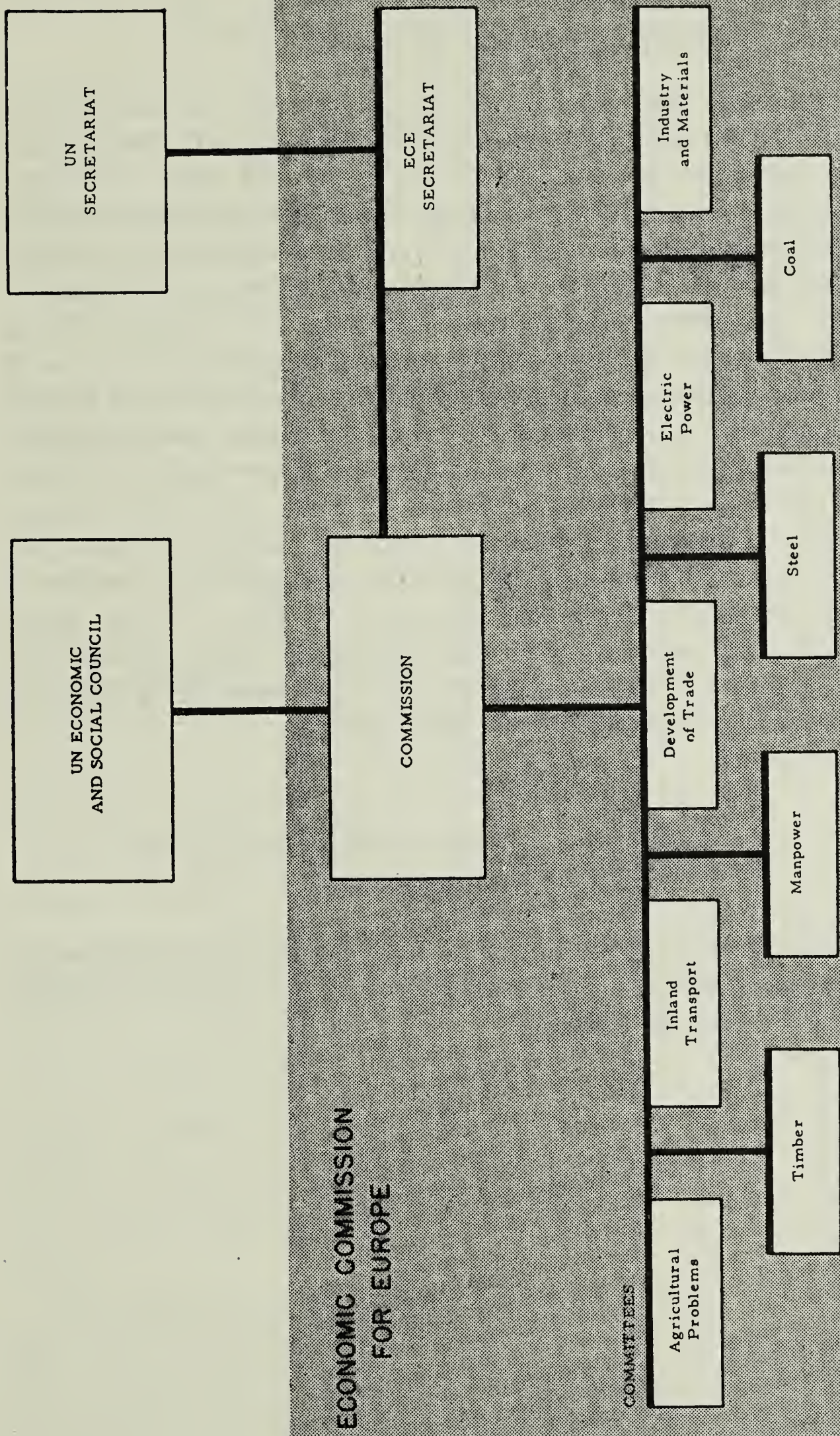
**A**FTER WORLD WAR II the chief immediate problem confronting Europe was the reconstruction of areas devastated by the war. The U.N. Economic and Social Council, established in 1946, reviewed the European situation and concluded that a special regional intergovernmental organization should be established to assist the European countries in solving their postwar economic problems. In December 1946 the U.N. General Assembly recommended to the U.N. Economic and Social Council that an Economic Commission for Europe (ECE) be established. The Commission was set up on March 28, 1947. It assumed the functions of the Emergency Economic Committee for Europe, the European Coal Organization, and the European Central Inland Transport Organization and later took on additional functions.

The terms of reference of ECE provide that it shall facilitate concerted action for the reconstruction of Europe, raise the level of European economic activity, and maintain and strengthen the economic relations of the European countries both among themselves and with other countries of the world. The Commission was instructed in its early stages to give special attention to the needs of the member countries suffering war devastation.

### *Organization*

The members of ECE are the European members of the United Nations and the United States. Other European states are regularly invited to participate, and do participate in varying degrees, in the meetings of the Commission in a consultative capacity and in its committees, where they have recently acquired voting rights. The work of the Commission is carried on primarily through its committees, which meet regularly between Commission sessions, and through its secretariat, which is an integral part of the United Nations Secretariat. Meetings of the Commission as a whole are held once a year. The







Commission reports annually on its work to the Economic and Social Council of the United Nations.

### *Functions and Powers*

The Commission affords a mechanism, under the auspices of the United Nations, through which European governments may study and take concerted action, on an agreed basis, for European regional and intergovernmental economic reconstruction and development. This has involved such activities as allocation of coal, facilitation of international transport, arrangements for the return and exchange of rolling stock, standardization of rolling-stock parts, and periodic reviews of the general economic situation in Europe, including the annual Economic Survey of Europe. The coal, steel, and transport committees of the Commission have been particularly active, carrying on a variety of activities through technical subcommittees. Recommendations on technical matters agreed upon by the committees of the Commission ordinarily go directly to the governments from the delegates to ECE without going through the Commission. The Commission cooperates with the regional commissions for the Far East and Latin America on subjects of mutual interest and concern.

### *Relations Between ECE and Other European Organizations*

Although there is no formal tie between the Organization for European Economic Cooperation and ECE, informal relationships have been established.



## IV

# The Western Union (Brussels Pact)

### *Origin and Purposes*

BRITISH FOREIGN MINISTER Ernest Bevin, in a major foreign-policy address to the House of Commons on January 22, 1948, called for a consolidation of Western Europe. Following this initiative, the Brussels Pact, establishing the Western Union, was signed on March 17, 1948, by France, Belgium, Luxembourg, the Netherlands, and the United Kingdom for the purpose of closer collaboration in economic, social, and cultural matters and for collective self-defense.

### *Functions and Organization*

The major significance of the Western Union lies in the fact that its establishment reflected official recognition of the need for collective self-defense and the consolidation of Western Europe. It has served as the forerunner of other European and North Atlantic organizations, which are now pursuing its purposes on a broader basis.

With the activation of the Supreme Headquarters Allied Powers, Europe (SHAPE), the military functions of the Western Union were absorbed by the North Atlantic Treaty Organization (NATO). As a result of the formation of the Organization for European Economic Cooperation (OEEC), which includes all the Brussels powers, only one month after the signing of the Brussels Pact, economic cooperation never became a major concern of the Western Union. In addition, the assembly of the Council of Europe has recommended that the social and cultural functions of the Western Union be transferred to the Council of Europe. This question is now under study.

The primary function of the Western Union was to provide permanent consultative machinery for joint defense against armed aggression in Europe. In some respects the organizational structure set up under the Brussels Treaty served as a model for NATO.

Beyond its military activities, the social and cultural activities of the organization have been most important. A number of conventions and agreements have been reached between the Brussels powers resulting from the work of its technical committees on such matters as social security, cultural identity cards, labor exchanges, and "health areas."

The Western Union organization consists of a Consultative Council made up of the Foreign Ministers of the five member nations, a Permanent Commission to act in behalf of the Council between sessions, and several subordinate committees, boards, and subcommittees of ministers or experts on military, economic, social, and cultural questions. Although for the most part inactive, except for the social and cultural committees, this organization still exists.



## **The Organization for European Economic Cooperation (OEEC)**

### *Origin and Purpose*

IN RESPONSE TO Secretary of State George C. Marshall's speech of June 5, 1947, proposing American aid to those European countries willing to work out a plan for common action to bring about economic recovery, the Committee for European Economic Cooperation was established to formulate a joint recovery program. In the general report of the Committee, the 16 participating countries stated that "if means for carrying out the program are made available, a joint organization to review progress achieved in the execution of the program will be necessary." Immediately following passage of the first European Recovery Act in April 1948, the Convention on European Economic Cooperation, containing the charter of OEEC, was signed.

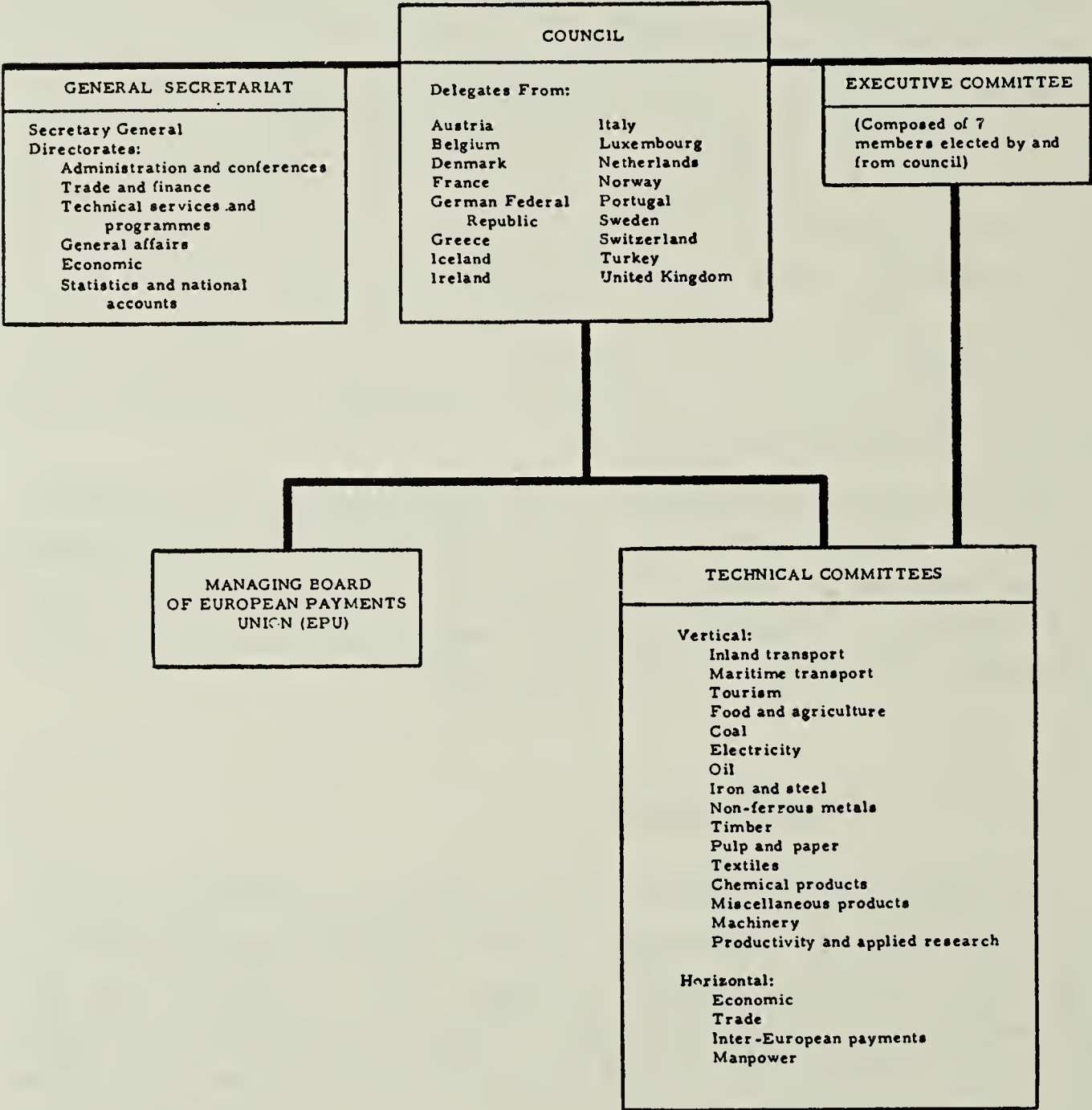
The fundamental purpose of the Organization is the achievement of a healthy and prosperous European economy through cooperative effort among its members. In pursuing this goal, the members set their immediate task as the elaboration and execution of a joint recovery program.

### *Organization*

The following countries are the present members of OEEC: Austria, Belgium, Denmark, France, the Federal Republic of Germany, Greece, Iceland, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Sweden, Switzerland, Turkey, the United Kingdom, and the Anglo-American zone of the Free Territory of Trieste. In June 1950 the United States and Canada accepted an invitation to associate themselves informally with OEEC and, although they are not members, they are usually represented at its meetings.

The Organization, which has its seat in Paris, consists of a Council of Ministers, an Executive Committee, a General Secretariat, the Managing Board of the European Payments Union

# ORGANIZATION FOR EUROPEAN ECONOMIC COOPERATION





(EPU), and numerous working committees. The Council is the policy-making body of the Organization and is responsible for all substantive decisions. These decisions are binding on all members agreeing to the decision. The Council is composed of cabinet ministers of the member countries or their deputies. It usually meets at least once a month at the deputy level and approximately every 2 months at the ministerial level.

The Executive Committee, consisting of seven members elected by the Council, reviews and makes recommendations on matters before they are considered by the Council. There are also a variety of committees which meet on a regular basis throughout the year. Of these, the "vertical" technical committees deal with questions relating to specific commodities (e. g. agriculture, coal, nonferrous metals) or sectors of the economy (e. g. inland transport, shipping). The "horizontal" committees are concerned with broad questions such as balance of payments, trade, general economic programs, and manpower. These committees meet frequently and formulate programs for final consideration by the Executive Committee and the Council. The Managing Board of EPU is also responsible to the Council.

### *Functions and Powers*

The main task of OEEC has been the preparation of programs for European economic recovery. In this capacity, OEEC's function is to restore economic activity to a point where extraordinary outside assistance will no longer be required. In pursuing this objective, the member countries seek to increase production and trade, modernize industry, stabilize their finances, balance their accounts with the outside world, and reduce trade barriers.

As the level of European production has risen and general recovery progressed, the Organization has devoted its energies increasingly to such fundamental problems as intra-European trade, productivity, economic integration, and more recently also to special materials problems and financial stability. Under its program of trade liberalization, the Organization has already achieved considerable success in reducing import quotas, thereby increasing the flow of trade and directing it along more efficient lines.

Within OEEC, member governments have collectively reviewed the national economic programs of the members. Al-

though no formal reconciliation of these plans is made, member governments have shown themselves willing to make readjustments in the light of the requirements of other countries. The broadest range of economic problems confronting Europe and their possible solutions are examined regularly by OEEC.

### *The European Payments Union*

Although developed by OEEC and operating under its authority, EPU (European Payments Union) was created by a special agreement signed by all OEEC countries in September 1950. EPU provides for a multilateral system of intra-European payments. Surpluses earned in trade with member states can now be used to offset deficits incurred in trade with other members.

As a result, EPU has eliminated the payments difficulties among OEEC countries which arise from bilateral settlements. Each country's major concern now is its over-all position in EPU. Importers in OEEC countries are no longer prevented from buying from efficient producers in other OEEC countries because of the payments position with a particular country. The formation of this payments system has made possible much of the progress in liberalizing intra-European trade and has resulted in substantial increases in such trade.

The Managing Board of EPU is responsible for the execution of the September 1950 agreement and has the power to make decisions concerning the operation and management of the EPU fund. The U.S. Government, through the Economic Cooperation Administration, provided the initial working capital for EPU.

### *Relations Between OEEC and Other European Organizations*

OEEC maintains close relations with the Council of Europe through permanent liaison committees on both sides, which meet monthly in joint session to discuss matters of mutual interest. In addition, the Council of OEEC has agreed to prepare reports of its activities at the time of each session of the Consultative Assembly of the Council of Europe to be transmitted through the latter's Committee of Ministers.



## VI

# The Council of Europe

### *Origin and Purpose*

**A**FTER WORLD WAR II the idea of uniting Europe gained new and widespread support. Prominent political leaders, such as Winston Churchill, Paul-Henri Spaak, Count Carlo Sforza, and Georges Bidault, endorsed the idea; and citizen groups, such as the European Movement, were formed to promote it. Although they supported cooperation on an intergovernmental basis, they did not consider this to be sufficient and urged the formation of an organization which would represent not only governments but peoples and parliaments. In May 1948 the Congress of Europe, convened at The Hague by the International Committee of the Movements for European Unity (later called the European Movement), recommended that a European Assembly be established. This proposal was subsequently endorsed by the French Government and submitted to the Brussels Treaty Council in the fall of 1948.

The British suggested instead the formation of an organization consisting of a Committee of Ministers. After negotiations among the Western Union countries, a preliminary draft was prepared providing for a Committee of Ministers and a Consultative Assembly. The Western Union powers invited Italy, Ireland, and the Scandinavian countries to participate in final negotiations for the treaty, and on May 5, 1949, the 10 powers signed the Statute of the Council of Europe. The statute is essentially a compromise between the idea of an intergovernmental committee and the idea of a European parliament. The aim of the Council of Europe is "to promote greater unity among the European countries in order to facilitate their economic and social progress."

### *Organization*

The Council of Europe now consists of 15 members: the five Western Union countries, Ireland, Iceland, Italy, the Saar, Denmark, Norway, Sweden, the Federal Republic of Germany, Greece, and Turkey. The Saar is an associate member, entitled

to representation in the Consultative Assembly but not in the Committee of Ministers, although it usually has an observer in the latter body.

The Council is composed of three main bodies: (1) the Committee of Ministers, which represents the governments of the member countries; (2) the Consultative Assembly, which is composed of representatives from the national parliaments; and (3) the Secretariat. The Committee of Ministers consists of the Foreign Ministers, or representatives, of the member countries. The Consultative Assembly has 132 delegates, distributed among members primarily on the basis of population. Representatives are elected by the parliaments of the member countries or appointed in such a manner as the parliaments may determine. Under this procedure most of the national parties have, in practice, been represented except the Communist Party. In the Consultative Assembly each representative speaks and votes as an individual, a practice unique among international organizations.

The Council of Europe has its headquarters in Strasbourg, where the Consultative Assembly holds its annual session, limited in duration to one month. In order to expedite its work, in the past 2 years the Assembly has split its annual session into two parts, with an interval of several months. The Assembly's sessions are public. The Committee of Ministers, which meets in private, holds its sessions at least twice a year.

### *Functions and Powers*

The scope of the Council of Europe extends to virtually all fields except defense. When the Council was formed, however, other organizations which have similar functions, such as OEEC, were already in existence and functioning effectively. In order to avoid duplication of effort, most of the economic recommendations of the Assembly have been forwarded to OEEC. The existence of these other organizations has somewhat limited the work which the Council of Europe could perform without duplication. Further, the divergence of views on the role and powers of the Council of Europe has made it difficult to obtain the necessary unanimity in the Committee of Ministers.

The Assembly by a two-thirds majority can make recom-



mendations to the Committee of Ministers, which are then transmitted to member governments if they are unanimously approved by the Committee of Ministers. Recently the Committee has agreed to a modification of the unanimity rule which would allow "partial agreements" between two or more members under certain circumstances.

The most important role of the Council thus far has been to serve as a forum for stimulating action and marshaling public opinion on major European problems.

### *Relations Between the Council of Europe and Other European Organizations*

A protocol to the Schuman Plan treaty establishing the Coal and Steel Community (see page 25) recommends that the delegates of the Community's Assembly be chosen from among the representatives of those countries in the Consultative Assembly of the Council of Europe. The Community will also submit regular reports on its activities to the Council of Europe. In addition, OEEC and the Council of Europe have also completed an agreement for mutual cooperation. (See Organization for European Economic Cooperation, page 13.)

## VII

# The North Atlantic Treaty Organization (NATO)

### *Origin and Purpose*

THE NORTH ATLANTIC Treaty Organization (NATO) was established in November 1949 in accordance with provisions of the North Atlantic Treaty, which became effective in August 1949. The main purpose of the treaty is to safeguard peace and security through combined efforts of the member countries to build their capacity to resist armed attack.

The concept of such an organization was first formulated by British Foreign Minister Ernest Bevin in his proposal for a Western Union in January 1948. He stated that in speaking of a Western Union he was "not concerned only with Europe as a geographical conception" but with that Continent's influence, responsibilities, and culture throughout the world. The idea received an immediate and favorable response from Canada and the United States.

In the United States the way was prepared for the negotiation of the North Atlantic Treaty by the Senate's adoption on June 11, 1948, of a resolution proposed by Senator Arthur Vandenberg favoring the development of regional and other collective arrangements for individual and collective self-defense. The resolution recommended the association of the United States with such arrangements, based "on continuous and effective self-help and mutual aid."

Following the passage of the Vandenberg resolution, discussions were opened in Washington between the United States, Canada, and the Western Union treaty signatories on a treaty of mutual assistance for the North Atlantic area within the framework of article 51 of the U.N. Charter. In addition to these seven powers Norway, Denmark, Italy, Ireland, and Portugal were later included in the formal negotiations leading up to the North Atlantic Treaty. The treaty was signed on April 4, 1949, and went into effect in August 1949.

From the beginning the United States has taken great interest not only in the defense aspects of the treaty but also in the long-term, nonmilitary provisions of NATO, which commit



the member states to strengthen their free institutions, promote conditions of stability and well-being, and encourage economic collaboration. Those provisions demonstrate the conviction that the achievement of real peace goes beyond the mere absence of war.

The North Atlantic Treaty has no time limit, but it provides that after 20 years any nation may withdraw after 1 year's notice. After 10 years the parties may consult together for the purpose of reviewing it.

### *Organization*

The original membership of NATO consisted of 12 countries: Belgium, Canada, Denmark, France, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, the United Kingdom, and the United States. On September 20, 1951, NATO recommended that an invitation to sign the treaty be extended to two other countries, Greece and Turkey, and these countries acceded on February 18, 1952.

NATO has gone through several stages of organization, as its activities have passed from a planning to an operational stage. At its meeting in Lisbon, February 1952, the North Atlantic Council agreed upon a general reorganization of NATO which would integrate and streamline its activities. This reorganization of NATO went into effect in April 1952.

The North Atlantic Council, the principal body of the North Atlantic Treaty Organization, is charged with the responsibility of considering all matters concerning the implementation of the provisions of the treaty. The North Atlantic Council is now in permanent session. Permanent delegates represent the member countries on the Council, although there are occasional Council meetings at which the member countries are represented by Cabinet Ministers. Ambassador William H. Draper, Jr., was appointed as the first U.S. permanent representative.

An integral international secretariat, headed by Secretary General Lord George Ismay, provides staff assistance to the Council and its committees. The Secretary General is also the vice chairman of the NATO Council and presides in the absence of the chairman. The chairmanship of the Council is rotated annually among the Foreign Ministers of the member countries.

In addition to its general responsibilities, the Council assumes responsibility for the tasks previously performed by its

subordinate civilian agencies—Financial and Economic Board (FEB) and the Defense Production Board (DPB). FEB was concerned with such matters as defense expenditures, economic and financial resources, and financial arrangements for transferred military equipment, supplies, and production tools. The task of the DPB had been to stimulate the production and facilitate the distribution of military equipment and supplies. Formerly DPB was located in London and FEB in Paris, where the latter could work closely with OEEC. All the NATO civilian bodies are now located in the Paris area. The Council has the authority to set up permanent or temporary committees to assist it in handling the detailed problems arising from its broad responsibilities.

The higher military organization of NATO consists of the Military Committee and two bodies directly responsible to it: the Standing Group and the Military Representatives Committee. The Military Committee consists of the Chiefs of Staff of the NATO members or their representatives. This body meets periodically and is responsible for developing military measures required for the unified defense of the North Atlantic area, providing general policy guidance to the Standing Group, and advising the Council on military matters. The Standing Group, composed of one military representative each of the United States, United Kingdom, and France at the chief-of-staff level, is the executive arm of the Military Committee and is in permanent session in Washington. It is responsible for higher strategic direction throughout the North Atlantic Treaty area and is authorized to issue instructions and guidance on military matters to the various NATO commands. The Military Representatives Committee is also in permanent session in Washington and, when the Military Committee is not in session, acts for that body on certain matters.

Of the two major NATO commands presently in existence, one covers the European area (SACEUR) and the other the Atlantic Ocean area (SACLANT). There is also a regional planning group for Canada and the United States, and the formation of a Channel and Southern North Sea Command was agreed upon at Lisbon in February 1952.

The Supreme Headquarters Allied Powers, Europe (SHAPE), is responsible, under the general direction of the Standing Group, for the defense of the allied countries of continental Europe, and the Supreme Allied Commander, Europe (SACEUR) would, in case of war, control all land, sea, and air



operations in Europe to this end. In the SHAPE area there are three subordinate commands: Central Europe, Northern Europe, and Southern Europe. In the first year after the establishment of SACEUR, General Dwight D. Eisenhower was Supreme Commander. He was succeeded on June 1, 1952, by General Matthew B. Ridgway.

On February 6, 1952, Admiral Lynde D. McCormick was appointed as Supreme Allied Commander, Atlantic (SACLANT). Under the general direction of the Standing Group, he is responsible for the defense of the Atlantic Ocean area. Admiral McCormick's headquarters are at Norfolk, Va.

### *Functions and Powers*

The various organs of NATO constitute the machinery through which the member nations may coordinate their political, economic, and military policies for the purpose of developing their individual and collective defensive potential and of "promoting conditions of stability and well-being." To date NATO has given top priority to those functions which bear directly on the development of the collective defensive strength of the member countries.

None of the bodies of NATO has the power to make decisions binding on member countries. For purposes of collective defense the members have agreed that an armed attack against one member shall be considered an attack against them all. The treaty provides that, in the event of an armed attack upon a member, each member shall take, either individually or in concert, such action as it deems necessary to restore and maintain the security of the North Atlantic area. The NATO countries have also agreed to develop their capacity to resist armed attack by means of continuous self-help and mutual aid.

### *Relations Between NATO and European Organizations*

Since the establishment of SHAPE the military functions of the Western Union have been merged with those of NATO. The purpose of this merger was to avoid duplication, since all five members of the Western Union are included in NATO.

In the economic field the work of NATO and OEEC is coordinated not only to avoid duplication of effort but also to draw upon the experience of the older organization. NATO and OEEC have worked closely together on an informal basis. For example, the work of OEEC in reviewing the economic situation of its member countries has been very useful to NATO in its annual review of the defense efforts of NATO countries.

It is also anticipated that there will be a close relationship between the European Defense Community (EDC) and NATO once the former is established. (See page 29.)



## VIII

# **The European Coal and Steel Community (Schuman Plan)**

### *Origin and Purpose*

**T**HE TREATY ESTABLISHING a European Coal and Steel Community was signed on April 18, 1951, by the Governments of six Western European countries: France, the Federal Republic of Germany, Italy, Belgium, the Netherlands, and Luxembourg. The treaty went into force on July 25, 1952.

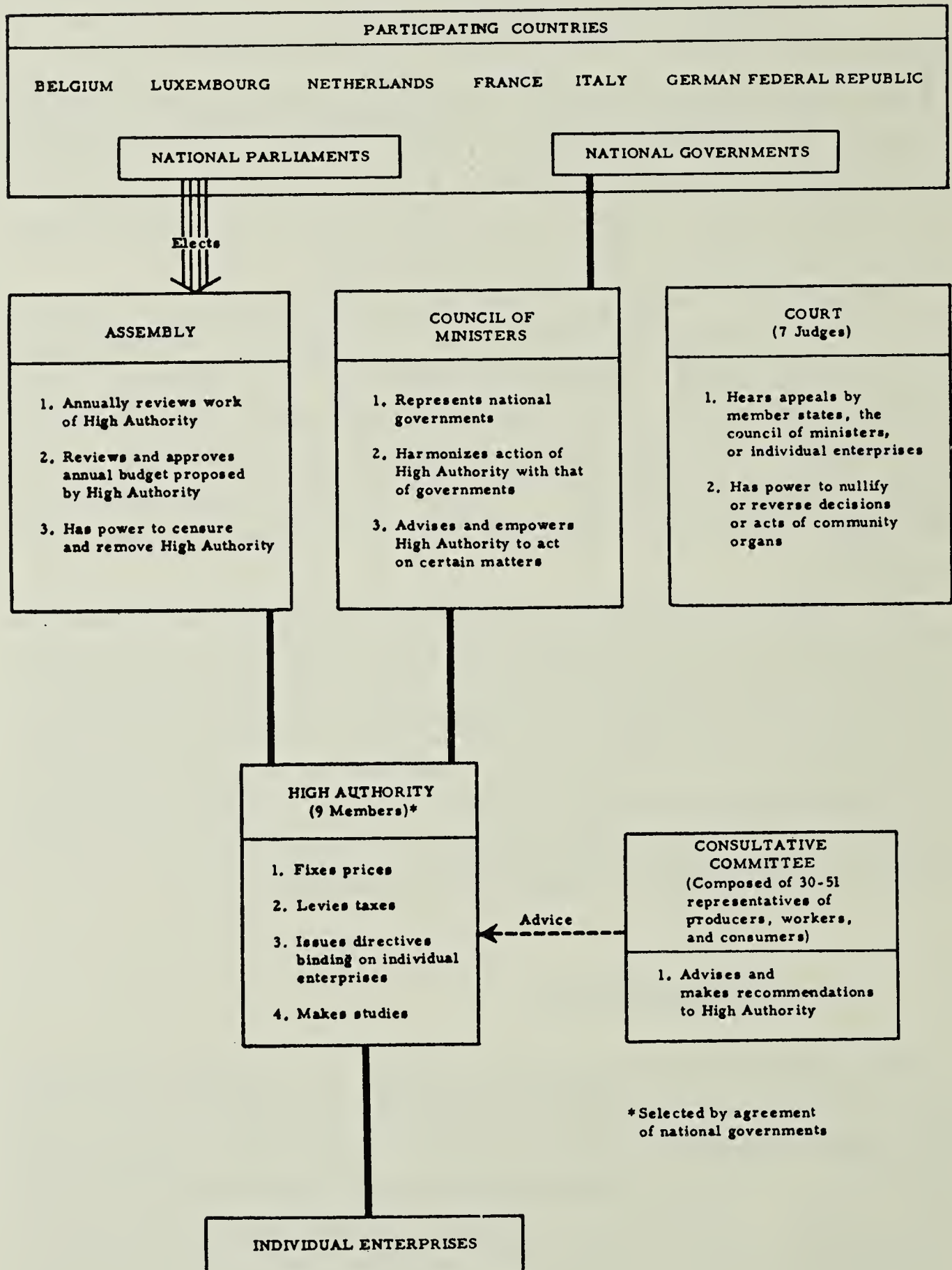
The plan for merging the coal and steel industries of Europe was first advanced by French Foreign Minister Robert Schuman in May 1950. Popularly known as the Schuman Plan, it later received the official title of the European Coal and Steel Community. Foreign Minister Schuman's invitation to develop a single market for coal and steel was extended to all European nations. Five countries were able to accept this invitation.

The treaty developed by the member countries envisages the elimination of both national barriers to trade in coal and steel among the participating countries and of private agreements restricting the production and marketing of these commodities. The purpose of the Plan is the creation of a single market in coal and steel among the member nations, regulated through a supranational institution, which will permit free movement of these commodities in the entire community.

### *Organization*

The organs of the Community consist of a High Authority, a Consultative Committee, an Assembly, a Council, and a Court. The High Authority is the executive body of the Community. It consists of nine members elected at 2-year intervals for 6-year terms. In the first election the member governments unanimously elected eight of the members of the High Authority, and these in turn elected the ninth member. In succeeding elections the unanimity rule will be dropped, and five votes out of six will suffice to elect the eight members. Jean Monnet

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is the chairman of the High Authority. The other members are Léon Daum of France, Franz Etzel and Heinz Potthoff of Germany, Enzo Giaccherio of Italy, Dirk Spierenburg of the Netherlands, Albert Coppé of Belgium, and Albert Wehrer of Luxembourg. Paul Finet of Belgium is the ninth member. The High Authority acts by a majority vote of its membership and is responsible to the Assembly to which it must report periodically. The Consultative Committee, consisting of 51 members and including producers, workers, and consumers in equal numbers, will be attached to the High Authority.

The Assembly is composed of delegates elected every year by national parliaments, presumably from among their own members. France, Italy, and the German Federal Republic have 18 delegates each, Belgium and the Netherlands 10 each, and Luxembourg 4. The Assembly meets in ordinary open session once a year but may be convoked in extraordinary session by the Council. The first session of the Assembly opened September 10, 1952.

The Council represents national governments and consists of a minister from each government, having one vote in the Council. Voting rules in the Council vary according to the nature of the decisions to be taken. Certain major decisions require unanimous agreement of the Council. When simple concurrence of the Council is required, the vote is by an absolute majority which must include one of the major producers.

The Court of Justice is composed of seven judges appointed by agreement among the member governments for 6 years at 3-year intervals.

### *Functions and Powers*

As the executive body of the Community, the High Authority has extensive powers. These include the fixing of maximum or minimum export prices, maximum prices within the Community, and minimum prices at times of crises and the right to make levies, to impose fines, to borrow money, to issue directives with respect to the elimination of discriminatory practices, and to make studies pertaining to the enterprises under the jurisdiction of the Authority. In certain important respects, these powers are subject to the Council's decisions. The Authority is responsible to the Assembly, which must review its work annually and can by a two-thirds majority vote of censure force

its resignation. Its directives can also be annulled by the Court in the event the High Authority exceeds its powers. The Consultative Committee has general advisory functions and provides a direct link between the High Authority and the producer, labor, and consumer groups which it represents.

The Council of Ministers is empowered to insure the coordination of the work of the High Authority with that of the national governments for such purposes as maintaining the balance of external accounts, an adequate defense, and full employment. The Council, for example, will have the right to initiate proposals and will have a voice in the determinations of the High Authority whenever the question of market control is involved. In certain cases of emergency, such as the development of serious shortages of steel and coal products and when the Authority fails to take the initiative, the Council is empowered to establish consumption priorities by unanimous vote and to determine the allocation of the coal and steel resources of the Community.

The Court deals with the juridical problems arising out of the relations among the constituent organs of the Community. Its most important power is the right to nullify or reverse the decisions or acts of these organs if they exceed their powers.

### *Relations Between the Coal and Steel Community and Other European Organizations*

The only formal relationship provided for in the treaty between the Community and other European organizations is that with the Council of Europe. (See Council of Europe, page 17.) Others are being worked out with organizations such as OEEC.



## IX

# The European Defense Community (EDC)

### *Origin and Purposes*

THE TREATY FOR the establishment of the European Defense Community was signed at Paris, May 27, 1952, by the six countries which also form the European Coal and Steel Community: France, the Federal Republic of Germany, Italy, the Netherlands, Belgium, and Luxembourg. The treaty will become effective when ratified by the parliaments of the six participating countries. In the meantime an Interim Committee, established by a special protocol among the signatory states, is preparing the necessary measures so that the Community can begin to function as soon as the treaty becomes operative.

The basic feature of the proposed EDC treaty is the integration of the defense forces of the participating states in a single European defense force under supranational authority. A plan for establishing such an integrated European army was first put forward by Winston Churchill in August 1950 in the Consultative Assembly of the Council of Europe. The initiative for the negotiation of the present treaty, however, was taken by the French Government, primarily as a result of the action of the North Atlantic Council in September 1950 approving, in principle, German participation in Western defense. In October of that year the then Prime Minister, René Pleven, secured his Parliament's approval of the so-called "Pleven Plan," which envisaged the establishment of an integrated European army, supervised by a European Minister of Defense endowed with supranational authority and supported by a common budget. Invitations extended to the European members of NATO and Western Germany to participate in the negotiations were accepted only by France's five associates in the Schuman Plan.

The proposed European Defense Community, with its common political institutions, armed forces, budget, and armaments program, has as its most immediate objective the strengthening of Western European defense through the most rational and economical utilization of the manpower and re-

sources of all the participating states, including those of the German Federal Republic which does not yet participate in Western defense. Of almost equal importance is the furthering of European integration and cooperation through the six-power community, initially established by the Schuman Plan.

### *Organization*

The organization of the proposed European Defense Community has a dual aspect: (1) the structure of the European Defense Forces (EDF), the name given to the single integrated army established by the treaty; and (2) the organization of the political institutions supervising EDF and governing the Community. According to the treaty, all the defense forces of the participating states will be merged into EDF with the exception of the national police forces, troops recruited by a member state for the defense of its overseas territories or for international missions intrusted to it, and naval forces designed for other than coastal missions.

The European Defense Forces will consist of basic units homogeneous as to nationality, integrated into "European" units at the next highest echelon. For the land forces the basic unit will be the *groupement*, which is similar to a division. The army corps, the next highest echelon, will be composed of three or four *groupements*, each of different nationality, and will have an integrated staff. The European air forces will be organized according to a similar pattern. Because of technical difficulties, the national units composing the European naval forces will not be integrated.

The political institutions of the Community will be the Commissariat, the Council, the Assembly, and the Court. The Court and (with some modifications in membership) the Assembly are the same as those for the Coal and Steel Community. The Commissariat, which is the executive organ of the Community, will be composed of nine members appointed for a term of 6 years by the national governments. It may not include more than two members of the same nationality. Like the High Authority of the Coal and Steel Community, it acts by majority vote and will be responsible to the Assembly, to which it must make annual reports.

The Council, representing the national governments, will be composed of one minister from each government, each min-



ister having one vote. Decisions taken by the Council may be by simple majority, qualified majority—usually two-thirds, or by unanimity according to the nature of the decision as determined by the treaty. In decisions taken by simple or qualified majority, a system of weighted voting is provided in which the member states contributing a major part of the manpower and financial resources of the Community will have a greater influence.

EDC will have the same Assembly as the Coal and Steel Community with the addition of three delegates each for France, Italy, and the German Federal Republic when the affairs of the Defense Community are discussed. Thus, these three countries will have 18 delegates each, with 10 each for the Netherlands and Belgium and 4 for Luxembourg. The Assembly ordinarily will meet once a year, but extraordinary sessions may be called on the request of the Commissariat, the Council, or a majority of the Assembly members.

### *Functions and Powers*

The Commissariat will have extensive executive and supervisory functions. In the more important matters, however, the exercise of its powers is subject to the approval of the Council. Its functions include the establishment of plans for the organization, mobilization, and deployment of the European Defense Forces; the supervision of their recruitment and training; and the administration of their personnel. The Commissariat is also responsible for the preparation and execution of the budget, the common armaments program, and the Community's program of scientific and technical research. In the exercise of these functions, the Commissariat, like the High Authority of the Coal and Steel Community, will be responsible to the Assembly, which must review its work annually and which may compel its resignation by a two-thirds majority vote of censure.

The Assembly also participates in the establishment of the common budget, although its authority is limited by the treaty provision that it may not make budgetary changes that increase the total amount of expenditures above the figure set by the Council and that such budgetary changes, if opposed by the Commissariat or a member state, may be sustained only by a two-thirds majority vote of the Council. According to the

treaty, the Assembly will be entrusted with the task of studying modifications in the EDC structure, with a view to establishing a definitive political organization for the Community. An enlarged Assembly of the Coal and Steel Community has already begun such a study, which will be submitted to the EDC Assembly when it enters into operation.

The Council of Ministers, which has the general task of harmonizing the actions of the Commissariat with the policies of the member states, has sole authority in certain matters such as modification of the organization of the European Defense Forces, as established in the treaty, and determination of the financial contribution of member states. Moreover, the important actions of the Commissariat, such as the determination of the budget, the plans for the organization of the armed forces, and the appointment of the higher personnel, require the approval of the Council usually by unanimity or a two-thirds majority. By a unanimous vote the Council may issue directives to the Commissariat.

The Court performs virtually the same functions relative to the European Defense Community as it does in connection with the Coal and Steel Community.

### *Relations With NATO*

With the exception of the German Federal Republic, all the member states of the European Defense Community are participants in NATO, and the two organizations are closely linked by formal treaty relationships. A protocol to the EDC and North Atlantic treaties contains reciprocal guaranties of assistance between the member states of the two organizations. An additional protocol to the EDC treaty provides for consultation between the Councils of the two organizations, the maintenance of liaison between the Commissariat and the various NATO bodies, and the assignment of members of the European Defense Forces to the NATO command structure. According to treaty provisions, all European Defense Forces will be placed at the disposal of NATO, and the latter's recommendations regarding their deployment may be rejected only with the unanimous approval of the Council.



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*Consult the Department of State Bulletin for other reports and statements concerning these organizations.*





